Legislature Montana State Legislature

2013 Session

Additional Documents include:

- *Business Report
- *Roll Call-attendance
- *Standing Committee Reports,
- *Table Bills, Fiscal reports etc.
- *Roll Call Votes
- *Witness Statements
- *Informational items
- *Visitor Registrations
- *Any other Documents;
 - ~Petitions if any?
 - ~Any and all material handed in after the meeting end.

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BUSINESS REPORT

MONTANA HOUSE OF REPRESENTATIVES 63rd LEGISLATURE - REGULAR SESSION

HOUSE TAXATION COMMITTEE

Date: Monday, March 25, 2013

Place: Capitol

Time: 9:30 A.M. Room: 152

BILLS and RESOLUTIONS HEARD:

EXECUTIVE ACTION TAKEN:

HB 532

HB 443

HB 581

SB 179

SB 269

SB 81

Comments:

REP. Mike Miller, Chair

HOUSE OF REPRESENTATIVES TAXATION COMMITTEE 2013 SESSION ATTENDANCE ROLL CALL

DATE:3-25-13

NAME	PRESENT	EXCUSED
	,	
Rep. Flynn, Kelly (V Ch)	$\sqrt{}$	
Rep. Pomnichowski, JP (V Ch)	V	
Rep. Zolnikov, Daniel	V	
Rep. Hansen, Kristin	V	
Rep. Jacobson, Tom	/	
Rep. Knudsen, Austin	· /	
Rep. Wilson, Nancy	/	
Rep. White, Kerry	10	
Rep. McClafferty, Edie	V /	
Rep. Redfield, Alan	/	
Rep. McNally, Mary	/	
Rep. Schwaderer, Nicholas	<i></i>	
Rep. Williams, Kathleen	/	
Rep. Galt, Wylie	V	
Rep. Lieser, Ed	J	
Rep. Lavin, Steve		é
Rep. Coffin, Douglas		
Rep. Randall, Lee	V	
Rep. Hoven, Brian	V	
Rep. Miller, Mike (Chair)	V	



March 25, 2013 Page 1 of 6

Mr. Speaker:

We, your committee on **Taxation** recommend that **House Bill 581** (first reading copy -- white) do pass as amended.

Signed:

Representative Mike Miller, Chair

And, that such amendments read:

1. Title, page 1, line 13.

Strike: "15-6-224," through "15-16-101,"

2. Title, page 1, line 16.

Following: "15-31-162,"

Insert: "15-32-104, 15-32-105, 15-32-106, 15-32-201,"

3. Title, page 1, line 19.

Strike: "75-25-101,"

Following: "87-2-102,"

Insert: "AND"

Strike: "90-4-602," through "90-4-1005,"

4. Title, page 1, line 22.

Strike: "15-30-2319,"

5. Title, page 1, line 22 through line 23. **Strike:** "15-30-2337," through "15-30-2341,"

6. Title, page 1, line 27.

Strike: "15-32-102,"

Strike: "15-32-104" through "15-32-106,"

Strike: "15-32-109,"

7. Title, page 1, line 28.

Strike: "15-32-201," through "15-32-203,"

Committee Vote:

Yes 17, No 3

Fiscal Note Required ___

8. Page 2, line 10.

Strike: "subsection (3)"

Insert: "subsections (3) and (4)"

9. Page 3, line 14. Following: line 13

Insert: "(4)(a) A taxpayer who has attained the age of 65 before
 the close of the taxpayer's tax year may subtract \$2,240
 from federal taxable income.

- (b) Married taxpayers filing jointly who have both attained the age of 65 by the close of the taxpayers' tax year may subtract \$4,480 from federal taxable income.
- (c) The department, by November 1 of each year, shall multiply the amounts in this section by the inflation factor for that tax year and round the product to the nearest \$10. The resulting adjusted amounts are effective for that tax year."
- 10. Page 8, line 4 through page 13, line 6.

Strike: sections 9 through 11 in their entirety

Renumber: subsequent sections

11. Page 15, line 6. Strike: "a single"

Insert: "one"

12. Page 19, line 28.

Strike: "\$4,000" Insert: "\$3,200"

13. Page 19, line 29.

Strike: "\$13,000" Insert: "\$10,500"

14. Page 19, line 30.

Strike: "\$17,000" Insert: "\$13,700"

15. Page 20, line 2.

Strike: "\$3,000" Insert: "\$2,400"

16. Page 20, line 3.

Strike: "\$9,750" Insert: "\$7,875"

17. Page 20, line 4.

Strike: "<u>\$12,750</u>" Insert: "\$10,275" 18. Page 20, line 7.

Strike: "\$2,000" Insert: "\$1,600"

19. Page 20, line 8.

Strike: "\$6,500" Insert: "\$5,250"

20. Page 20, line 9.

Strike: "\$8,500" Insert: "\$6,850"

21. Page 20, line 12.

Strike: "\$2,000" Insert: "\$1,600"

22. Page 20, line 13.

Strike: "\$6,500" Insert: "\$5,250"

23. Page 20, line 14.

Strike: "\$8,500" Insert: "\$6,850"

24. Page 20, line 15.

Following: "(2)"
Insert: "(a)"

25. Page 20, line 16.

Strike: "\$100"

Insert: "amount as provided in subsection (2)(b)"

26. Page 20.

Following: line 18

Insert: "(b) After the application of the inflation factor, the
 brackets in subsection (1) must be rounded to the nearest
 amount as follows:

- (i) for every married individual who makes a joint return and for every surviving spouse, to the nearest \$100;
 - (ii) for every head of household, to the nearest \$25;
- (iii) for every individual other than a surviving spouse or head of household who is not a married individual, to the nearest \$50; and
- (iv) for every married individual who does not make a joint return and for every estate or trust not exempt from taxation under the Internal Revenue Code, to the nearest \$50."

27. Page 29, line 1.

Following: "shall file a"

Insert: "Montana"

28. Page 42, line 14.

Following: line 13

Insert: "Section 31. Section 15-32-104, MCA, is amended to read:
 "15-32-104. Limitations on deduction and credit. Tax
treatment under 15-32-103 and 15-32-109 is limited to persons and
firms not primarily engaged in the provision of gas or
electricity derived from fossil fuel extraction or conventional
hydroelectric development.""

Insert: "Section 32. Section 15-32-105, MCA, is amended to read:
 "15-32-105. Application to new construction -- rules. (1)
It is the intent of the legislature that no deduction or credit under this part be allowed for capital investment for an energy conservation practice in the new construction of a building if that capital investment would have been made under established standards of new construction. The department of revenue shall adopt rules to implement this legislative intent. Such rules shall be based on the best currently available methods of analysis, including those of the national bureau of standards, the department of housing and urban development, and other federal agencies and professional societies and materials developed by the department. Provisions shall be made for an annual updating of rules and standards as required.

(2) The department may adopt rules to define standard components of conventional buildings and to establish other necessary elements of the definition of passive solar system consistent with the intent of 15-32-102.""

Insert: "Section 33. Section 15-32-106, MCA, is amended to read: "15-32-106. Procedure for obtaining benefit of deduction or credit. The department of revenue shall provide forms on which a taxpayer may apply for a tax credit under 15-32-109. The department of revenue shall approve a deduction or credit under 15-32-103 or 15-32-109 that demonstrably promotes energy conservation or uses a recognized nonfossil form of energy generation. The department of revenue may refer a deduction or credit involving energy generation or energy conservation to the department of environmental quality for its advice, and the department of environmental quality shall respond within 60 days. The department of revenue may refer a deduction or credit involving energy conservation to the department of labor and industry for its advice, and the department of labor and industry shall respond within 60 days. The department of revenue may deny a deduction or credit that it finds to be impractical or ineffective.""

Insert: "Section 34. Section 15-32-201, MCA, is amended to read: "15-32-201. Amount of credit -- to whom available. (1) A resident individual taxpayer who completes installation of an energy system using a recognized nonfossil form of energy generation, as defined in 15-32-102, to provide heat for the taxpayer's principal dwelling is allowed to claim a tax credit in

an amount equal to the cost of the system, including installation costs, less grants received, not to exceed \$500, against the income tax liability imposed against the taxpayer pursuant to chapter 30.

- (2) A resident individual taxpayer who completes installation of an energy system using a low-emission wood or biomass combustion device, as defined in 15-32-102, to provide heat for the taxpayer's principal dwelling is allowed to claim a tax credit in an amount equal to the cost of the system, including the installation costs, not to exceed \$500, against the income tax liability imposed against the taxpayer pursuant to Title 15, chapter 30.
- (3) In determining whether an energy system is eligible for a tax credit under this part, the department may refer a credit involving an energy system using a recognized nonfossil form of energy generation or a low-emission wood or biomass combustion device to the department of environmental quality for its advice, and the department of environmental quality shall respond within 60 days.""

Renumber: subsequent sections

29. Page 59, line 12.

Strike: "<u>(a)</u>"

Strike: ", subject to subsection (6)(b),"

30. Page 59, line 15.

Strike: "(i)"
Insert: "(a)"

Renumber: subsequent subsections

31. Page 59, line 25.

Strike: subsection (b) in its entirety

32. Page 76, line 2 through line 24. **Strike**: section 59 in its entirety

Renumber: subsequent sections

33. Page 81, line 2 through page 82, line 16.

Strike: section 62 through section 63 in their entirety

Renumber: subsequent sections

34. Page 83, line 6.

Strike: line 6

35. Page 83, line 11 through line 15.

Strike: line 11 through line 15

36. Page 84, line 22.

Strike: line 22

37. Page 84, line 24 through line 26.

Strike: line 24 through line 26

38. Page 84, line 29.

Strike: line 29

39. Page 85, line 1 through line 3.

Strike: line 1 through line 3

40. Page 89, line 12.

Strike: "27," through "29" Insert: "24, 25, and 26"



March 25, 2013 Page 1 of 1

Mr. Speaker:

We, your committee on Taxation recommend that Senate Bill 81 (third reading copy -- blue) be concurred in.

Signed:

Representative Mike Miller, Chair

To be carried by Representative Kris Hansen

- END -

Committee Vote:
Yes 11, No 8
Fiscal Note Required ___

DC 3:25



March 25, 2013 Page 1 of 1

Mr. Speaker:

We, your committee on Taxation recommend that Senate Bill 179 (third reading copy -- blue) be concurred in.

Signed:

Representative Mike Miller, Chair

To be carried by Representative JP Pomnichowski

- END -

Committee Vote: Yes 19, No 0 Fiscal Note Required ___



March 25, 2013 Page 1 of 1

Mr. Speaker:

We, your committee on **Taxation** recommend that **House Bill 443** (first reading copy -- white) do pass as amended.

Signed:

Representative Mike Miller, Chair

And, that such amendments read:

1. Title, page 1, line 5 through line 6.

Strike: "AND" on line 5 through "DEFINITIONS" on line 6

2. Title, page 1, line 6. Strike: "15TH" on line 6

Insert: "30TH"

3. Title, page 1, line 7.

Strike: "PROVIDING" through "AUTHORITY;"

4. Title, page 1, line 8 through line 9.

Strike: "SECTIONS" on line 8 through "7-15-4299, AND" on line 9

Insert: "SECTION"

5. Page 1, line 14 through page 9, line 25.

Strike: section 1 through section 9 in their entirety

Renumber: subsequent sections

6. Page 9, line 30.

Strike: "15th"
Insert: "30th"

- END -

Committee Vote:

Yes 15, No 4

Fiscal Note Required ___

HB0443001SC.hjk

DC 3-25 12:30

BILL TABLED NOTICE

HOUSE TAXATION COMMITTEE

The **HOUSE TAXATION COMMITTEE** TABLED

 $\ensuremath{\mathsf{HB}}$ 532 - Revise income tax using a flat tax rate and a tie to federal taxable income - Rep. Roy Hollandsworth

by motion, on **Monday, March 25, 2013** (PLEASE USE THIS ACTION DATE IN LAWS BILL STATUS).

Repecca Shaw			10
(For the Committee)		(For the Chief Clerk	of the House)
			$\frac{\mathcal{D}'\mathcal{A}(\mathcal{A})}{\mathcal{A}'}$
		(Time)	(Date)
March 26, 2013 (1:58pm)	Rebecca Shaw, Secretary		Phone: 4877



March 25, 2013 Page 1 of 1

Mr. Speaker:

We, your committee on **Taxation** recommend that **Senate Bill 269** (third reading copy -- blue) be concurred in as amended.

Signed:

Representative Mike Miller, Chair

To be carried by Representative Mike Miller

And, that such amendments read:

1. Page 4, line 15.

Following: "additional"
Insert: "or decreased"

Strike: "over"

Insert: "compared to"

2. Page 6, line 8.

Following: "additional"
Insert: "or decreased"

Strike: "over"

Insert: "compared to"

- END -

Committee Vote:

Yes 11, No 8

Fiscal Note Required ___

12:30

Steve

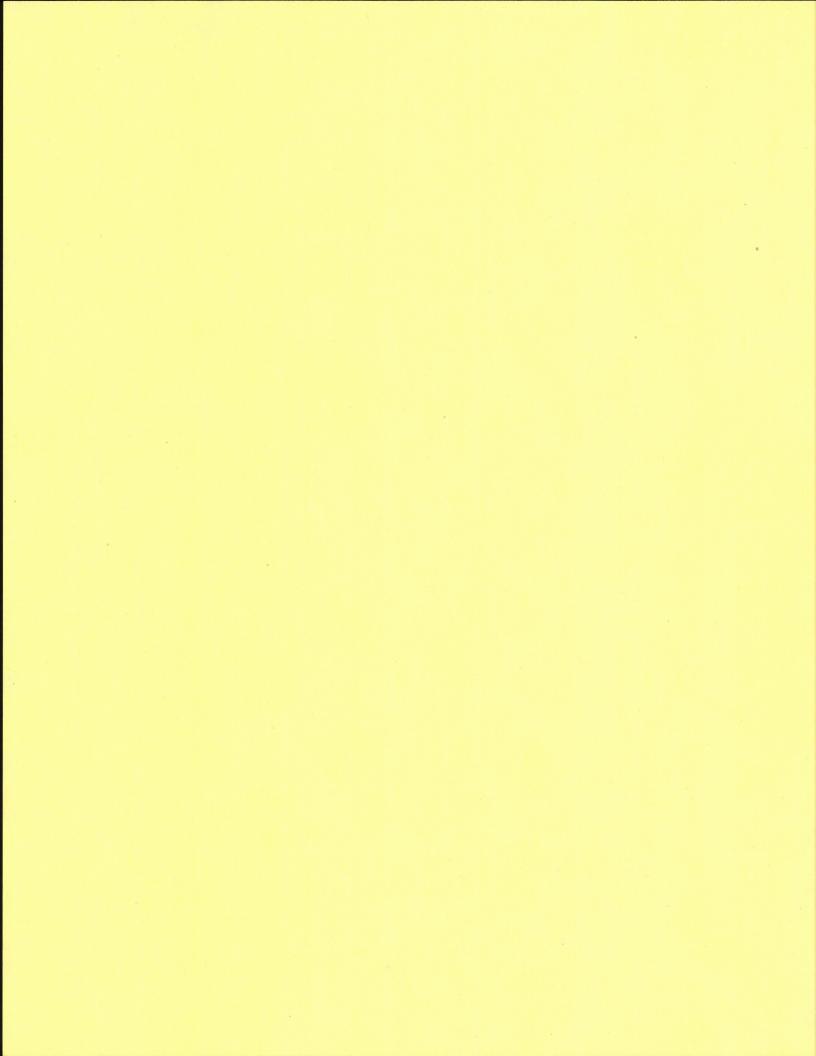
I request to be excused from	the	j,	Tox	,				
Committee because of other	Committee because of other commitments. I desire to leave my proxy vote with:							
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SB 81	/	H						
HB 581	/			58103	1			
HB 443	/							
Date 3-26-13 (Signature) LAVIN								

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Committee because of other co	ommitn	nents.	I desire	to leave my	proxy vote	e with:		
JP Pomni	choc	osk	:					
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HB443 DO PASS	X							
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Rep. 7/1/					Date_	15 M	aula	2012
(Signatu	ire)							

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Committee because of other co	ommitn	nents. I	desire	to leave my proxy vote with:		
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532		X				
Rep. Signature) Zolnikov Date 3 - 25 - 13						

I request to be excused from the							
Committee because of other co	ommitn	nents. I	desire	to leave my proxy vot	e with:		
	Chi						
Indicate Bill number and your number under the bill and indi	vote A	ye or N	o. If the	ere are amendments, l	ist them b	y nam	e and
BILL/AMENDMENT	AYE	NO		BILL/AMENDMENT		AYE	NO
HB 53Z	×						
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Rep. Edluce Date 3-25-13							
(Signature)							



KMIS

I request to be excused from the							
Committee because of other commitments. I desire to leave my proxy vote with:							
Indicate Bill number and your number under the bill and ind	vote A	ye or N	o. If the	ere are amendments, list t	hem by nar	ne and	
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269	X			532	X		
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443	X			443	· W		
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ep. Date 3 - 26 - 13 (Signature)							
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DATE: 3-25-13 BILL NO_	581 MOTION NO
MOTION:	Amda
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NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Flynn, Kelly (V Ch)			
Pomnichowski, JP (V Ch)	1 1		
Zolnikov, Daniel	V		
Hansen, Kristin		V	
Jacobson, Tom	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		
Knudsen, Austin	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		
Wilson, Nancy	/		
White, Kerry			
McClafferty, Edie	V		
Redfield, Alan			<u> </u>
McNally, Mary	/		
Schwaderer, Nicholas		/	
Williams, Kathleen		V	
Galt, Wylie	/		
Lieser, Ed			
Lavin, Steve	\		X
Coffin, Douglas			
Randall, Lee			
Hoven, Brian			
Miller, Mike (Chair)			

DATE: 3-25 -/3	BILL NO #858 MOTION NO	
MOTION:	105. amm	
		+

NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Flynn, Kelly (V Ch)	V		
Pomnichowski, JP (V Ch)	1/		
Zolnikov, Daniel	V	1	
Hansen, Kristin			
Jacobson, Tom			
Knudsen, Austin			
Wilson, Nancy			
White, Kerry			
McClafferty, Edie	/	V	
Redfield, Alan		/	
McNally, Mary			
Schwaderer, Nicholas			
Williams, Kathleen			
Galt, Wylie	V	/	
Lieser, Ed			
Lavin, Steve			
Coffin, Douglas	V		
Randall, Lee			
Hoven, Brian	V		
Miller, Mike (Chair)			

DATE: 3-25-13 BILL	L NO	_ MOTION NO)
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NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Flynn, Kelly (V Ch)			
Pomnichowski, JP (V Ch)			
Zolnikov, Daniel			
Hansen, Kristin			
Jacobson, Tom			
Knudsen, Austin			
Wilson, Nancy	1/		
White, Kerry			
McClafferty, Edie		V	
Redfield, Alan			
McNally, Mary			,
Schwaderer, Nicholas		1/	
Williams, Kathleen		V	
Galt, Wylie			
Lieser, Ed			
Lavin, Steve	•		
Coffin, Douglas		V	
Randall, Lee		<u> </u>	
Hoven, Brian			
Miller, Mike (Chair)	- V		

DATE: <u>8-26</u>	5-13	BILL NO <u>58</u>	MOTION NO.	
MOTION:	AS	Amd	(final vote)	
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NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Flynn, Kelly (V Ch)			
Pomnichowski, JP (V Ch)			
Zolnikov, Daniel			
Hansen, Kristin	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		
Jacobson, Tom	· /		
Knudsen, Austin	V		
Wilson, Nancy			
White, Kerry			
McClafferty, Edie			
Redfield, Alan			
McNally, Mary	1		
Schwaderer, Nicholas	V		
Williams, Kathleen	/		
Galt, Wylie	\ \/		
Lieser, Ed			
Lavin, Steve			*
Coffin, Douglas			
Randall, Lee	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		
Hoven, Brian	\ \ \ \ \ \		
Miller, Mike (Chair)			

DATE: 3-25-13 BILL NO SB MOTION	NO
MOTION: Be Concurred	
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NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Flynn, Kelly (V Ch)			
Pomnichowski, JP (V Ch)			
Zolnikov, Daniel			111
Hansen, Kristin	1/		NV
Jacobson, Tom			
Knudsen, Austin		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
Wilson, Nancy	V		
White, Kerry	 	V	
McClafferty, Edie	<u> </u>		
Redfield, Alan		V	
McNally, Mary	V		
Schwaderer, Nicholas		V	
Williams, Kathleen	V	1	
Galt, Wylie		<u> </u>	
Lieser, Ed	,	-/	
Lavin, Steve		V	\ \ \ \
Coffin, Douglas	-		/-
Randall, Lee			
Hoven, Brian	/		
Miller, Mike (Chair)	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		

DATE: 3-75	5-13 BILL NO	56269	MOTION NO) <u>.</u>
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NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Flynn, Kelly (V Ch)			
Pomnichowski, JP (V Ch)			
Zolnikov, Daniel			NV
Hansen, Kristin	/		X
Jacobson, Tom	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		/\
Knudsen, Austin			
Wilson, Nancy	1/		
White, Kerry	\ \ <u>\</u>		
McClafferty, Edie			
Redfield, Alan			
McNally, Mary	/		
Schwaderer, Nicholas			
Williams, Kathleen			
Galt, Wylie			
Lieser, Ed	/		
Lavin, Steve	J		
Coffin, Douglas			
Randall, Lee			
Hoven, Brian			
Miller, Mike (Chair)			

DATE 3-25-13 BILL NO 269	MOTION NO
MOTION: Final Vote	and the same and t
	1.

NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Flynn, Kelly (V Ch)	\checkmark		
Pomnichowski, JP (V Ch)		/	
Zolnikov, Daniel		<u> </u>	NV
Hansen, Kristin			X
Jacobson, Tom			
Knudsen, Austin		V	
Wilson, Nancy			
White, Kerry			
McClafferty, Edie			
Redfield, Alan			
McNally, Mary			
Schwaderer, Nicholas	V		
Williams, Kathleen			
Galt, Wylie	/		`
Lieser, Ed			
Lavin, Steve	/	<u> </u>	
Coffin, Douglas		1	
Randall, Lee			
Hoven, Brian			
Miller, Mike (Chair)	Ĭ V		

DATE: 3-25-13 BILI	LNO <u>58269</u>	MOTION NO	D
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NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with
Flynn, Kelly (V Ch)		1	minutes
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Zolnikov, Daniel	V		111
Hansen, Kristin			/ V V
Jacobson, Tom		V	
Knudsen, Austin		1	
Wilson, Nancy			
White, Kerry	V	./	
McClafferty, Edie	\/	V	
Redfield, Alan	V		
McNally, Mary		V	
Schwaderer, Nicholas	V	\(\)	
Williams, Kathleen		Y	
Galt, Wylie	V		·
Lieser, Ed		<u> </u>	
Lavin, Steve			
Coffin, Douglas		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
Randall, Lee		,	



Hoven, Brian

Miller, Mike (Chair)

DATE: 3-25-13 BIL	LNOHB 443	MOTION NO	D
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NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Flynn, Kelly (V Ch)	$\sqrt{}$		
Pomnichowski, JP (V Ch)			
Zolnikov, Daniel	- V		N/1/
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Knudsen, Austin			X
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Williams, Kathleen			
Galt, Wylie	V		
Lieser, Ed	-		
Lavin, Steve	V		
Coffin, Douglas		,	
Randall, Lee			
Hoven, Brian	<u> </u>		
Miller, Mike (Chair)		V	

5